Approved For Release 2001/03/05 : CIA-RDP82-00457R09390010001 CLASSIFICATION REPORT NO CENTRAL INTELLIGENCE AGENCY Information Report 25X1A CD NO. CONFIDENTIAL 19 July 1949 DATE DISTR. COUNTRY China Chinese Communist Removal of Goods and Machinery NO. OF PAGES 1 SUBJECT from Tsingtao 25X1C NO. OF ENCLS. PLACE ACQUIRED DATE OF INFO. 25X1A SUPPLEMENT TO REPORT NO. 25X1X

- The Communists are transporting large stocks of cloth, flour, and rubber goods daily by truck to an area between Lungkow and Chefoo, where large underground storehouses are said to have been constructed. Also being transported is machinery from various government factories, such as the Shantung Syndicate; this machinery is being dismantled and removed from Tsingtao.
- 2. It is reported that plants are being organized in the interior nearer sources of raw materials, with the view of making them available if and when Tsingtao becomes untenable.
- 3. During the past week, the Chinese have reported Communist trucks going toward Tsangkow* nightly during curfew hours. About 20 to 30 trucks are loaded every night with cloth, flour, gasoline, diesel oil and other items.
- The Chinese claim that the Communists are storing these materials in the interior.

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Comment. Probably Tsangkou (120-24, 36-12).

Comment. Such activity must give some credence to the rumor that the Communists do not anticipate holding Tsingtao. The Chinese are looking forward to a Chungking radio prediction that the Nationalists will return to Tsingtao within three months.

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

Next Review Date: 2008

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